

"Nothing in the world can take the place of persistence. Talent will not; nothing is more common than unsuccessful men with talent. Genius will not; unrewarded genius is almost a proverb. Education will not; the world is full of educated derelicts. Persistence and determination alone are omnipotent. The slogan, 'press on' has solved, and always will solve, the problems of the human race."

Calvin Coolidge

Perth Home Care Services is pleased to respond to the Productivity Commission's draft report into Caring for Older Australians.

A secular community benefit organisation, PHCS and RHCS specialise in delivering person centred solutions to support people to live at home with dignity- in the disability, aged care and mental health sectors.

This is an unprecedented time in the history of Australia and in many parts of the world. As people continue to live longer lives, and the baby boom cohort moves into elderhood, reform of the aged care system is critical. Lack of reform in this area will mean decreased access and availability of services and options for older Australians and an increasing pressure across budgets at the state and commonwealth levels. With demographic shift to at least 2050, Australia cannot afford to take a 'business as usual' approach. Therefore, agreed reforms and a way forward must be acted upon by government and not set aside. Persistence in pursuing reform in ageing is necessary.

In this response, PHCS highlights areas of support as well as areas of concern in the draft report. Specifically, our comments are focussed in the following areas:

- Care and Support
- Paying for Aged Care
- Workforce
- Regulation

Care and Support

The Gateway

In principle, PHCS supports the concept of a Senior's Gateway. It is important for people in the community to be able to access both broad and specific information about available support for seniors, be able to have an assessment of their needs and be allocated funding for their support.

Commonwealth consultation is also occurring through DoHA on the redesign of the 'front-end' of aged care and the timing of this consultation is interesting given the activity and consultation of the Productivity Commission.

As with most reform and large concepts agreed in principle, the 'devil is in the detail'- for example a robust IT system which would enable both information collection, dissemination and records keeping would be a prerequisite for a Gateway to operate as envisioned. Common soft ware, maintenance of records, maintenance of current information on websites and system consistency in terms of connectivity across regional areas for example are all issues for consideration. Electronic Health Records for individuals could assist in referrals between the Gateway and GP's/hospitals, but the system would have to be standard and stable.

Principally, the Gateway would need to ensure a whole of person approach, have safeguards that wouldn't allow people to 'fall out' of the assessment process accidentally and to have a whole of family approach as well. It must be accessible and understandable for people ensuring that they can get the support and care they need in a timely manner now, and into the future.

It will be important for people to know how to access the Gateway. More than a concept or a regional alliance, the Gateway should have multiple points of accessing information, similar to Medicare or local council information offices which can be found in shopping centres and other places people would regularly frequent. Simply, a person should be able to go to the Gateway, ring them, have a representative come out to visit them or be able to access information online. If the Gateway is simply a conceptual alliance, there will still be fragmentation and confusion across the system about who to contact, when and how.

PHCS recommends that the Gateway be piloted in a specific area to ensure the structure would meet the desired intentions prior to rolling it out across the country.

The building blocks

Whilst there was some discussion of a wellbeing framework in terms of supporting people physically, emotionally and socially including the provision of opportunities for purposeful interaction with the community and family, it's difficult to see where these activities fit into the building block approach (figure 8.2 pg. 256). Connection of elders to the community and validation of valued roles must sit within the framework. PHCS sees the development of this connection and certainly community capacity to move in this direction as underpinning the framework itself. Wellbeing is important in every stage of a person's journey through care and not particular to one block or another, but must be made explicit.

Increased control and choice

PHCS is very pleased with the Commissioner's recognition of the desire of elders to be in control over their supports and the building of choice into the model. Contributing to that choice and control is the elimination of package distinctions and silos, a lower threshold established which attracts a simpler assessment test and the opportunity for people to take their individually assessed funding dollars to organisations of their choice.

PHCS also supports the funding of an expanded system of consumer advocacy services and continued direct funding opportunities to programs which encourage and facilitate social inclusion/connectedness activities and development of other supports within the wellbeing framework (emotional and social support). PHCS would like to see this area further defined in the final report. It is important to ensure that any block funding opportunities for these services are appropriately costed and funded. PHCS sees that an important part of people having increased control and choice is the availability of supportive planning opportunities such as the Big Plan¹ and other Person Centred Planning methods used by PHCS. Planning opportunities can occur in many different settings, at the group or individual level. This is important because good outcomes as a result of individual funding are assisted with the development of plan. Simply put, better use of resources both paid and unpaid occur with planning.

¹ Attachment 1

Community capacity

With an increase in people's control and choice, the ongoing development of community capacity should occur so that choice can be exercised. Nowhere is this more obvious than in regional Western Australia. For example, an elder may be assessed as needing support at a particular level in a regional town, but if there are no providers to choose from, the choice doesn't exist. Similarly with activities related to social connection- if there are no social activities that have been developed in an area, the choice is moot. There should be development of community capacity to provide a real choice for people included in the context of giving increased choice and control.

Paying for Aged Care

PHCS endorses the view of the Commissioner that the present funding regime of the current aged care system is not sustainable and supports the following reforms:

- The release of equity of a person's residence to assist with the cost of aged care
- The principle of a lifetime stop-loss limit on co-contributions.
- The principle of the separation of the major cost components of aged care. Some caution is required in this process as there are implications for both elders and providers. First, in terms of the cost of care, a thorough analysis must be made of the 'real' cost of care to both community and residential providers. Influences on cost of care can be variable from state to state. In WA, for example, workforce is affected by the resources sector. The cost of care provision in WA may be higher than that of NSW due to workforce issues. Secondly, some currently funded 'everyday living expenses' such as gardening and domestic support currently funded under HACC are the very reason a person is able to remain at home and should continue to be funded. Last, in separating accommodation from care, there must be a reasonable supply of affordable housing options for elders if they rent. Affordable, appropriate housing options are not in great supply in WA.
- The removal of restrictions on the number of community care packages
- Where a person's support needs fall below a nominated weekly dollar threshold, a simpler test should be used for co-contributions.

PHCS does note with concern the Commission's comments about the differences in fringe benefits tax (FBT) between the 'for profit' sector and the 'not-for-profit' sector, suggesting that in the event of a significant increase in age care salaries, the efficacy of the FBT concession should be re-examined (page 119, PC draft report). The Commission reiterated the conclusion of a former report (The Contribution of the Not-for-profit Sector (NFP Report) 2010) that the FBT concessions be phased out slowly, a recommendation rejected by the Australian Government. The range of tax concessions available to not-for-profit organisations, including FBT, is critical to the capacity to operate in a competitive environment. We urge the Commission to reject the phasing out of FBT to ensure that not-for-profit organisations are not compromised in the provision of services to older Australians.

Finally, whilst the uptake of private long term care insurance has been slow in OECD countries (Table 7.2 pg.221); it is part of the funding mix that is available internationally. Certainly this is not the only funding mechanism that should be available for people, but any regulatory restrictions on private health insurers should be eliminated should they wish to develop a product suited to long term care. Non compulsory private long term care insurance options should be available in the market place and may also include insurance for community based care as well as residential care.

Healthy Ageing Savings Accounts may also be included in the funding mix available. Incentives should exist for people who wish to take out private long term care cover or who make contributions to Healthy Ageing Savings Accounts.

Workforce

Workforce reforms focus on improved support for informal carers, formal carers and volunteers.

Informal carers

PHCS supports the idea of Carer Support Centres to provide a broad range of carer support services. Carer's WA is an excellent model. Respite support should be flexible as well as accessible and PHCS endorses the continued use of Consumer directed Respite and other flexible models which involve consumer purchasing options. Respite or 'time off' options for carers should be person centred and designed with the carer at the centre of support. There is no 'one size fits all' approach that is good for respite.

Formal carers

Formal carers in community and residential care should be paid competitive wages and this is directly linked into the determination of the real cost of care. Working in aged care in a formal carer role should be compensated at a level which makes it attractive as a career choice and not just a part time job on the way to a nursing degree.

Skill development and course work for formal carers should include not only practical skills necessary for doing the work, but more importantly, values based training in person centred solutions which will most certainly be sought.

Workforce consideration in the final report should outline how reforms link in with the work being done by Health Workforce Australia (HWA) detailed workforce planning projects.

Regulation

PHCS supports a structure with an independent regulatory authority and the separation of regulation from the Department of Health and Ageing policy responsibility.

The establishment of the Australian Aged Care Regulation Commission (AACRC) comprising components of standards monitoring, accreditation and complaints handling separate to the policy arm of the Department of health and Ageing could be a benefit. Providers of multiple programs would benefit from streamlined reporting requirements.

The WA Context

It is important to acknowledge the WA context in consideration of aged care reform. In January 2011, the HACC program in WA implemented a significant change to the way elders are assessed for HACC services in the Perth metropolitan area. It is important to note that the WA government has agreed to participate in National Health and Hospital Reform, but has not agreed to Commonwealth control of all aged care programs, including HACC. Should reforms be accepted and actioned by the federal government, and WA were to carry on with HACC control at the state level, PHCS would

want to see that elders in WA would not be disadvantaged. If control of HACC was to be maintained at the state level in WA, significant partnership and negotiation would be necessary in order for a Seniors Gateway to achieve the desired outcome.

Conclusion

It is true that a journey begins with a single step. Supporting older people now and into the future is a complex journey, but it must begin. We commend the Commission on its draft report and look forward to the final report and recommendations.